

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In Re:</b>  <b>W.R. GRACE &amp; CO., et al.,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (JKF)</b>
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**FEE AUDITOR'S FINAL REPORT REGARDING THE FEE APPLICATION OF  
OGILVY RENAULT LLP FOR THE TWENTY-SEVENTH INTERIM PERIOD**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Interim Fee Application of Ogilvy Renault LLP for the Twenty-Seventh Interim Period (the "Application").

**BACKGROUND**

1. Ogilvy Renault LLP ("Ogilvy") was retained as special counsel to the Debtors and Debtors-in-Possession in Canada. In the Application, Ogilvy seeks approval of fees totaling CDN\$173,396.00 and expenses totaling CDN\$6,754.82 for its services from October 1, 2007 through December 31, 2007 (the "Application Period").
2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2006, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for

consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on Ogilvy, and received a response from Ogilvy, portions of which response are quoted herein.

## **DISCUSSION**

### Specific Time and Expense Entries

3. In our initial report, we noted the following time entries which appeared to include non-working travel:

25/11/07	Allison Kuntz	Travelled to Montreal in preparation for document review at Grace facility in LaSalle, Quebec	4.00	\$1,220.00
25/11/07	Karen Whibley	Travel to Montreal for document review.	4.00	\$860.00
28/11/07	Karen Whibley	Travel from Montreal to Toronto.	4.00	\$860.00
28/11/07	Allison Kuntz	Return travel from Montreal after document review in LaSalle.	4.00	\$1,220.00
<b>TOTAL:</b>			<b>12.00</b>	<b>\$4,160.00</b>

Local Rule 2016-2(d)(viii) provides: “Travel time during which no work is performed shall be separately described and may be billed at no more than 50% of regular hourly rates.” Thus, we asked Ogilvy to delineate the amount of time devoted to non-working travel and advise whether the required 50% discount was applied to this time. Ogilvy responded as follows:

OR does not object to a 50% reduction in the fees outlined in the above chart and requests that the fee auditor approve a reimbursement of \$2,080.00.


We appreciate Ogilvy’s response, and recommend a reduction of \$2,080.00 in fees.

### CONCLUSION

4. Thus, we recommend approval of CDN \$171,316.00 in fees (\$173,396.00 minus \$2,080.00) and CDN \$6,754.82 in expenses for Ogilvy's services for the Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**


By:   
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**FEE AUDITOR**

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 19<sup>th</sup> day of May, 2008.

  
Warren H. Smith

## **SERVICE LIST**

### **Notice Parties**

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